

Chevy Chase Village Board of Managers

FY2012 Budget Work Session

February 28, 2011 at 7:30 p.m.

The enclosed draft budget and supporting documents have been prepared by the Village Manager Shana Davis-Cook, Finance Director Demetri Protos and Budget Committee Chair Samuel Lawrence. The Capital Improvements Program budget, has been prepared by the Director of Municipal Operations Michael Younes.

I. Budget Assumptions

II. Department Breakdowns

III. Possible Expense Reductions if Determined Necessary by the Board of Managers

I. Budget Assumptions

- The property tax revenue estimate anticipates maintaining the constant yield property tax rate of 0.1005.
- The income tax revenue estimate anticipates receiving the same amount as was budgeted for FY2011.
- *SafeSpeed* revenue projections anticipate monthly citation revenue averaging approximately \$165,000 per month. This estimate is reasonable based on the history of the program since the inception of the amended law, which went into effect on October 1, 2009. FY2012 program revenue estimates also reflects collection of delinquent citations.
- Not including non-repetitive special projects, the total draft FY2012 budget reflects a total decrease in expenditures of \$708,168 (12%) from the total amended FY2011 budget. It also reflects a decrease of \$1,099,311 (17.5%) from actual FY2010 total expenditures (not including non-repetitive special projects).

II. Department Breakdowns

A. Personnel

- General:
 - No cost-of-living adjustment (COLA) for personnel, including police (which normally receives a “kicker” above the standard COLA for all other Village employees).
 - Health insurance premiums (actual rates) for the Village staff have slightly decreased over the past few years. The budget reflects a possible, 5% increase in premiums across the board.
 - The FY2012 draft budget reflects 29 authorized positions, 28 full-time and 1 part-time and assumes the freezing of two positions—1 sworn patrol officer and 1 administrative department head (Director of Administration).
- Police Department:
 - The draft FY2012 budget reflects maintaining the FY2011 staffing structure, which includes a Police Chief, Police Sergeant, Public Safety Coordinator and 8 patrol officers (total: 10 sworn, 1 un-sworn).
 - Continuing the freezing of a uniformed police position through FY2012.
 - Hiring of a new Police chief at a salary range between \$96,000 and \$102,000 for all 12 months of the fiscal year.

- Communications Center:
 - The draft FY2012 budget reflects maintaining the FY2011 staffing structure, which includes a Communications Supervisor and 5 clerks (total: 6).
- Public Works Department:
 - The draft FY2012 budget reflects maintaining the FY2011 staffing structure, which includes a Director and 5 laborer/drivers (total: 6).
- Capital Contracts:
 - The draft FY2012 budget reflects maintaining the FY2011 staffing structure, which includes a Director of Municipal Operations (total: 1).
- Administration:
 - The draft FY2012 budget includes the Village Manager, Finance Director, Permitting & Code Enforcement Coordinator, Community Liaison/Administrative Assistant and part-time administrative support that would be contracted on an as-needed basis (total: 4 full-time and 1 part-time). This structure differs from the FY2011 structure in that it reflects the freezing of the full-time Director of Administration position pending a thorough review and analysis of job and responsibility structure within the department. The part-time Administrative Assistant—not eligible for benefits, and budgeted at approximately \$25,000—will assist with the administrative workload in lieu of filling the Director of Administration position (the personnel costs for which would have been approximately \$75,000 in the first year).

B. Operations

- Administration—Operations:
 - The draft FY2012 budget reflects the following notable reductions:
 - Winter Holiday Party (historical approximate attendance: 450-500)—reduced by \$5,000, total \$10,000
 - Other community events—reduced by \$1,500, total \$1,000
 - Annual Meeting (and New Resident Social) (historical approximate attendance: 125)—reduced by \$500, total \$1,000
 - Committee on Children, Youth & Families—reduced by \$300, total \$2,500
 - July 4th Parade & Party (historical approximate attendance: 250-300)—reduced by \$1,000, total \$1,500
- Facilities, Fleet & Infrastructure
 - Estimates in the FY2011 budget for building maintenance were increased to reflect the loss of the Building Superintendent position in FY2011. In reality, these costs were over-estimated in the FY2011 budget and have been decreased in the draft FY2012 budget by \$22,000.
- Parks Trees and Greenspace:
 - In FY2011, the Parks & Greenspaces Committee requested a line item for the purchase of materials related to the Committee's work in the Village's parks and greenspaces, such as benches and plant materials. The amount requested for FY2011 was \$10,000. The draft FY2012 budget has been reduced by \$7,500 to a total of \$2,500.
 - The tree care and maintenance budget has been reduced by \$65,000 from the FY2011 General Funds budget. This includes \$25,000 that was reallocated to the FY2012 *SafeSpeed* Program budget for priority pruning. These modifications to

the tree care program budget were done after consultation with the Budget Committee and Village arborist.

III. Possible Expense Reductions if Determined Necessary by the Board of Managers

The following expense reductions have been reviewed by the related committees and are not supported by those respective committees. These reductions were referenced by last year's Budget Task Force if the Village reaches a point where additional expense reductions are necessary; however, they require policy decisions to be made by the Board of Managers. Examples include:

- Revise the landscaping maintenance contract to cease mowing operations in the Village's public rights-of-way located between the street and the public sidewalk (approximate cost savings: \$19,000)
- Reduction of one Communications Clerk (Note: this would result in possible intermittent closures of the Communications Center due to unforeseen scheduling conflicts) (approximate cost savings: \$45,000)
- Daytime only coverage of the Communications Center (approximate cost savings: \$100,000)
- Reduction from twice weekly to once weekly trash collection services (Note: this would require an amendment to Chapter 10 [Health and Sanitation] of the Village Code which provides that "the Village will make regular household garbage and trash collections twice weekly from the rear of each dwelling.") (approximate cost savings: \$30,000)
- Further reductions to the tree care and maintenance budget (approximate cost savings: \$2,500-\$100,000)

Lastly, the Board has the option to increase revenues by:

- An increase in the property tax rate, in excess of the constant yield rate (approximate additional revenue: \$5,000-\$150,000; each 10% increase in the property tax rate yields \$96,759 in revenue)